



Poland: Weekly Macroeconomic Update

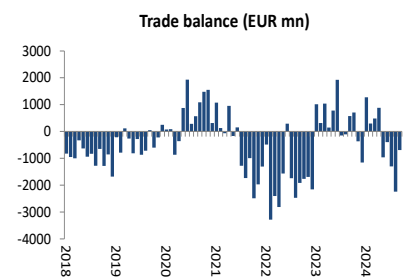
LAST WEEK:

In September the **current account gap** narrowed to -EUR1.434bn from -EUR2.731bn in August. In September trade deficit was -EUR690m and was significantly narrower than trade deficit of -EUR2.244bn in August what stemmed from increase in exports. In September exports rose by 0.5% y/y (verses a decline of 3.3% y/y in August) while imports rose by 5.1% y/y (versus an increase of 4.9% y/y in August). In September services balance was positive at EUR3.028bn (steady versus EUR3.008bn surplus in August) and deficit on primary income account was -EUR3.235bn (versus -EUR3.025bn deficit in August).

According to flash estimate, **GDP** in Q3 rose by 2.7% y/y and fell by 0.2% q/q in real terms. Preliminary GDP data were weaker than market consensus of 3.0% y/y and 0.3% q/q growth. Weaker than expected GDP growth most likely reflects weakening of private consumption and weaker investment activity of companies.

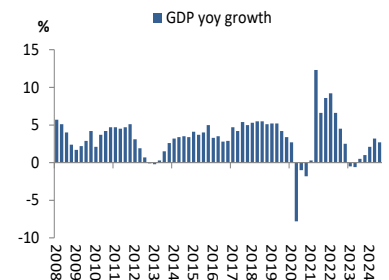
In October **consumer inflation** was confirmed at 5.0% y/y and 0.3% m/m. The strongest impact on inflation in October had food prices that rose by 4.9% y/y and 0.7% m/m, adding 0.19 percentage points to monthly CPI. Second factor rising prices was an increase in footwear and clothing prices by 3.4% m/m (and 1.8% m/m decline) that added 0.13 pp. to monthly CPI and an increase in energy and housing costs by 9.7% y/y and 0.3% m/m what added 0.07 pp. to monthly CPI. A decline in transport prices (down 0.4% m/m and down 1.4% y/y) and decline of price of recreation and culture (down 0.5% m/m and up 5.5% y/y) reduced monthly CPI respectively by 0.12 pp. and 0.03 pp.

Figure 1. Trade balance



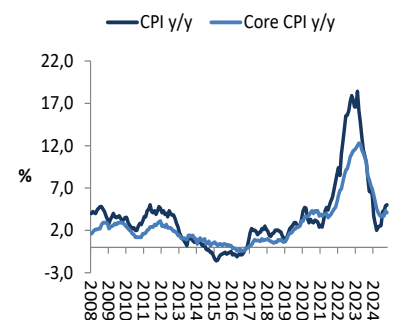
Source: NBP

Figure 2. GDP growth (y/y)



Source: GUS

Figure 3. CPI and core CPI



Source: GUS, NBP



DIARY (this week)

Date	GMT	Release/Event	DB Expected	Actual	Consensus
Nov-18	13:00	Core CPI (Oct)	(4.2%)	0.4% (4.1%)	0.5% (4.2%)
Nov-21	13:00	Consumer confidence (Nov)	-15.0		-15.2
Nov-21	9:00	Construction output (Oct)	(-7.5%)		(-6.5%)

Source: Deutsche Bank Estimates., Reuters and Bloomberg Finance LP

FX and interest rate forecasts

	EUR/PLN	USD/PLN	CHF/PLN	GBP/PLN	EUR/USD	Reference rate	WIBOR 3M*	WIBOR 6M*	EURIBOR 3M	Fed Funds (mid)	CPI (Poland)	Yield on 10Y POLGB
	(end of period)											
Nov-24	4,340	4,114	4,642	5,196	1,055	5,75	5,82	5,84	3,00	4,625	4,8	5,80
Dec-24	4,320	4,114	4,547	5,163	1,050	5,75	5,82	5,84	2,80	4,375	5,4	5,65
Jan-25	4,325	4,106	4,541	5,170	1,053	5,75	5,82	5,83	2,70	4,375	6,0	5,40
Feb-25	4,330	4,098	4,534	5,177	1,057	5,75	5,81	5,82	2,65	4,375	5,8	5,25
Mar-25	4,335	4,090	4,527	5,184	1,060	5,75	5,80	5,80	2,55	4,125	5,7	5,15
Apr-25	4,333	4,075	4,514	5,182	1,063	5,75	5,77	5,67	2,45	4,125	4,8	5,10
May-25	4,332	4,061	4,500	5,181	1,067	5,75	5,75	5,58	2,40	4,125	5,0	5,05
Jun-25	4,330	4,047	4,487	5,180	1,070	5,50	5,50	5,47	2,30	3,875	4,9	5,00
Jul-25	4,328	4,035	4,485	5,186	1,073	5,50	5,50	5,37	2,20	3,875	3,4	4,95
Aug-25	4,326	4,024	4,460	5,191	1,075	5,50	5,40	5,23	2,10	3,875	3,3	4,90
Sep-25	4,320	4,009	4,431	5,192	1,078	5,25	5,20	5,15	2,05	3,625	3,6	4,80
Oct-25	4,315	3,995	4,426	5,194	1,080	5,25	5,10	5,05	2,05	3,625	3,6	4,65

*- According to road map published by the PFSA WIBOR cessation will occur in 2027.

Note: Due to Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 the way of calculation of WIBOR rates and their values may be subject to change.

Source: Deutsche Bank Polska S.A.



Appendix 1

Important Disclosures

Additional information available upon request

Deutsche Bank Polska S.A. represents that the data contained in this publication are of information nature only, and the content presented herein does not constitute an offer within the meaning of Art. 66 of the Civil Code of 23 April 1964, an invitation to offer or a recommendation to enter into any transaction. This publication may not be treated as advice and does not perform any function of advice. All information used in this publication has been obtained from generally accessible sources which are generally recognized as reliable. Deutsche Bank Polska S.A. has exercised due diligence to verify the above information and bring it up to date, but it disclaims any and all liability for its accuracy or completeness, or for any damage that the Client or third parties may incur as a result of decisions made in reliance on the information contained in this publication.

The transactions or products listed herein may not be appropriate for all investors. Before making a decision on entering into a transaction or acquiring a product the Client should, without relying only on the information provided in this publication, make an independent assessment of the economic risk of such transaction and his ability to incur it, its tax and legal nature, the legal consequences of the transaction and potential benefits and losses associated with it, as well as assess the market characteristics.

The assumptions, simulations and opinions contained in this publication constitute the sole judgment of Deutsche Bank Polska S.A.'s / persons preparing it as at the date of publication of this document which is subject to change without a requirement to publish it. Any and all projections are based on assumptions pertaining to market conditions and there is no guarantee that any projected results will be achieved. Past performance is not a guarantee of future results.

Deutsche Bank Polska S.A. represents that the information presented above should not be in any case treated by the Client as Deutsche Bank Polska S.A.'s recommendation or advice. This publication may not be duplicated or distributed in any way, in particular through mass media, without the prior written consent of Deutsche Bank Polska S.A., al. Armii Ludowej 26, 00-609 Warsaw, NIP no. 676-01-07-416, District Court for the capital city of Warsaw, 12th Corporate Division of the National Court Register, file number KRS 0000022493, share capital PLN 2,098,849,384 paid up in full.

Analyst Certification

The views expressed in this report accurately reflect the personal views of the undersigned lead analyst(s). In addition, the undersigned lead analyst(s) has not and will not receive any compensation for providing a specific recommendation or view in this report. Arkadiusz Krzeńskiak